

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF OKLAHOMA**

IN RE:)	
)	
C M HEAVY MACHINERY, LLC,)	Case No. 24-80617
)	Chapter 11
)	
Debtor.)	

OBJECTION TO MOTION TO RETAIN EXISTING BANK ACCOUNTS

Ilene J. Lashinsky, United States Trustee for Region 20 (the “U.S. Trustee”), files this Objection to Motion to Retain Existing Bank Accounts, Doc. No. 3 (the “Motion”). In support, the U.S. Trustee shows this Court as follows:

1. In the Motion, C M Heavy Machinery, LLC (the “Debtor”) states that it maintains a single bank account with Mabrey Bank.

2. Mabrey Bank is insured by the Federal Deposit Insurance Corporation, but it has not signed a Uniform Depository Agreement (“UDA”) with the U.S. Trustee. Therefore, the Debtor’s funds are insured only up to \$250,000.

3. In its Schedules, the Debtor lists a single bank account at Mabrey Bank with a balance of \$114,331.61.

4. Also in its Schedules, the Debtor lists accounts receivable of \$1,343,190.26 and an insurance claim of \$12,596,813.68.

5. Upon information and belief, the Debtor is in the process of resolving an insurance claim in the approximate amount of \$100,000.

6. In this case, the Debtor’s bank account balance will almost certainly exceed \$250,000 during the pendency of its case.

7. The purpose of 11 U.S.C. § 345 is to safeguard estate funds. The section contemplates that a financial institution will pledge a bond or additional collateral to protect the uninsured portion of the Debtor’s funds. This is an advantage for all parties in interest, including the Debtor.

8. Mabrey Bank could sign a UDA or the Debtor could move its funds to an institution which has signed a UDA.

9. Without a signed UDA, the U.S. Trustee cannot properly ensure that the Debtor's funds are safeguarded and collateralized.

WHEREFORE, the U.S. Trustee files this objection to the Motion to Retain Existing Bank Account as more fully set forth above.

Dated August 22, 2024.

ILENE J. LASHINSKY
UNITED STATES TRUSTEE

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